

1 ENGROSSED HOUSE
2 BILL NO. 2845

By: Caldwell (Trey) of the
House

3 and

4 Green of the Senate
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7 An Act relating to the Retail Electric Supplier
8 Certified Territory Act; amending 17 O.S. 2021,
9 Section 158.25, which relates to exclusive rights
10 within territory; providing for certain retail
11 electric supplier's ability to extend service under
12 certain circumstances; updating statutory references;
and providing an effective date.

13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 17 O.S. 2021, Section 158.25, is
15 amended to read as follows:

16 Section 158.25 A. Except as otherwise provided herein, each
17 retail electric supplier shall have the exclusive right to furnish
18 retail electric service to all electric-consuming facilities located
19 within its certified territory, and shall not furnish, make
20 available, render or extend its retail electric service to a
21 consumer for use in electric-consuming facilities located within the
22 certified territory of another retail electric supplier; provided
23 that any retail electric supplier may extend its facilities through
24 the certified territory of another retail electric supplier, if such

1 extension is necessary for such supplier to connect any of its
2 facilities or to serve its consumers within its own certified
3 territory.

4 B. Except as provided in ~~Section 5~~ subsections C and ~~Section 5~~
5 E of this section, any new electric-consuming facility located in an
6 unincorporated area which has not as yet been included in a map
7 issued by the Commission, pursuant to Section ~~4C(1)~~ 158.24 of this
8 title, or certified, pursuant to Section ~~4-D~~ 158.24 of this title,
9 shall be furnished retail electric service by the retail electric
10 supplier which has an existing distribution line in closer proximity
11 to such electric-consuming facility than is the nearest existing
12 distribution line of any other retail electric supplier. Any
13 disputes under this ~~Section 5-B~~ subsection shall be resolved by the
14 Commission.

15 C. If the Commission, after hearing, shall determine that the
16 retail electric service being furnished or proposed to be furnished
17 by a retail electric supplier to an electric-consuming facility is
18 inadequate and is not likely to be made adequate, the Commission may
19 authorize another retail electric supplier to furnish retail
20 electric service to such facility.

21 D. Except as provided in ~~Section 5~~ subsection C of this
22 section, no retail electric supplier shall furnish, make available,
23 render or extend retail electric service to any electric-consuming
24 facility to which such service is being lawfully furnished by

1 another retail electric supplier on ~~the effective date of this act~~
2 September 10, 1971, or to which retail electric service is lawfully
3 commenced thereafter in accordance with this section by another
4 retail electric supplier.

5 E. The provisions of this act shall not preclude any retail
6 electric supplier from extending its service after ~~the effective~~
7 ~~date of this act~~ September 10, 1971, (1) to its own property and
8 facilities, in an unincorporated area, and (2) subject to ~~Section 5~~
9 subsection D of this section, to an electric-consuming facility
10 requiring electric service, in an unincorporated area, if the
11 connected load for initial full operation of such electric-consuming
12 facility is to be 1,000 kw or larger.

13 F. To achieve the purposes of efficient, cost-effective retail
14 electric service without duplication of electric facilities and to
15 avoid unfairly shifting costs to residential consumers, retail
16 electric service providers are required to establish and utilize
17 rate tariffs which are specifically applicable to a rate class of
18 customers composed of electric consuming facilities being served in
19 accord with the 1,000 kw size exception found in subsection E of
20 this section and located outside the retail electric service
21 provider's certified territory. These tariffs may be for a specific
22 electric consuming facility or for a class of electric consuming
23 facilities taking service under this provision. For retail electric
24 service providers that are rate-regulated by the Commission, the

1 rates supporting this rate class shall be determined in the rate-
2 regulated service provider's most recent rate proceeding. Rates for
3 this rate class shall be designed to recover (i) the costs of
4 extending service to the competitive load of electric consuming
5 facilities of 1,000 kw or larger located outside the retail electric
6 service provider's certified territory; and (ii) the allocated share
7 of other costs associated with providing service to the electric
8 consuming facility. Such tariffs shall be cost-of-service based and
9 shall not subsidize other rate classes or be subsidized by other
10 rate classes. Unless costs of extending service to such a new load
11 are collected from the customer, those costs shall be included in
12 the cost of service study in the next rate proceeding. If the
13 electric service provider, in whose certified territory the
14 competitive load is seeking electric service, chooses in writing not
15 to compete for said competitive load or does not respond within
16 thirty (30) days of receiving written notice by the customer, the
17 terms of this subsection shall not apply.

18 SECTION 2. This act shall become effective November 1, 2023.
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1 Passed the House of Representatives the 22nd day of March, 2023.

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4 Presiding Officer of the House
5 of Representatives

6 Passed the Senate the ___ day of _____, 2023.

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9 Presiding Officer of the Senate